

**Reduction in Long-Term Firm ATC Offerings
On the PDCI After October 1, 2003
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BPAT is reducing the amount of long-term firm capacity it is offering on the PDCI in both the north to south and south to north directions for all time periods after October 1, 2003. Currently, 2000MW out of the PDCI's 3100MW transfer capability in both directions is dependent on aging mercury arc groups inside the converter stations. This equipment was originally installed when the PDCI was first placed into service 30 years ago. Much of this equipment is wearing out and replacement parts are becoming increasingly unavailable. Studies are underway to assess potential alternatives for dealing with this situation. In the meantime, BPAT feels it is prudent to lower our long-term firm capacity offerings on the PDCI for the time period after October 1, 2003 based on the assumption that the mercury arc groups might not be in service after that date. BPAT's long-term firm capacity offerings for that time period will, therefore, be based on a PDCI power order of 1100MW. This translates to an assumption of 1086MW north to south and 1070MW south to north at NOB. Once the studies are completed, BPAT will re-assess these assumptions and update our long-term firm PDCI capacity offerings accordingly.

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